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CENTRAL INTELLIGENCE AGENCY

Memorandum of Conversation

DATE: 8 December 1959

SUBJECT

: Bureau of the Budget Study of the Intelligence Coordination Process

Reference: Memo of Conversation dtd 29 Sept 59 fr DD/S, subj: 'Director's Meeting

with BOB Officials to Discuss the Over-all Coordination of Communications

PARTICIPANTS: and Intelligence Costs

Surficipants: ESB: Messrs. Frank Ecker and Ben Ellington, Sudget Examiners, International

Division

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CIA: Colonel L. R. White, Deputy Director (Support), Mr. H. Cates Lloyd,

Assistant Deputy Director (Support), and

of the Comptroller

Copies To: DCI, DDCI, DD/C, DD/F, DD/I, DD/S, IG. COMPT. GC

1. On 7 December 1959 Messrs. Ellington and Ecker called on me to discuss the study which the Eureau of the Budget proposes to undertake of the intelligence coordination process. They referred to the visit of 25 September 1959 by Mesers. Beckett, Schaub and Macy to the Director at which time Mr. Beckett advised the Director that the President had directed that the Bureau study a number of projects including the over-all coordination of communications and intelligence costs.

2. Mr. Ecker said that the communications study would be the primary responsibility of the Military Division besded by Mr. Schaub and the intelligence coordination study that of the international Division headed by Mr. Macy. Mr. Schaub proposes to start his study in the Department of Defense and get to CIA later, whereas Mr. Macy proposes to start with CIA and progress to the other intelligence agencies. Messrs. Ellington and Ecker are to be the staff members doing the actual work for Mr. Macy and they are ready to begin immediately. They assumed that the Office of the Deputy Director (Coordination) would be established as a focal point for this study but were, of course, open to any other suggestions that the Agency might have in this connection. They propose to begin by educating themselves on the coordination machinery and would first want to become familiar with the MSCIDs and DCIDE. Next they would propose to become familiar with the USIB structure to include all of its various committees and subcommittees. After their educational process is reasonably complete they intend to select a country and during a period of say two weeks examine the receipt, processing and general handling of all intelligence received by all agencies concerning this country. Following this exercise they also propose to take a given international incident such as the recent troubles in Tibet and to examine all intelligence from all agencies

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evisiting to this particular incident. I told heaves. Ellington and Ecker that it seemed to now that what they proposed to do might duplicate in substantial part the work of the buil Committee. They said that they had talked with Pat Coyne of the buil Committee staff and implied that they would indeed want to become familiar with the activities of the buil Committee. Sowever, they feit that their study would deal much more with management and costs than the buil Committee had done.

It hold them that to the best of my knowledge the meeting with Messrs. Beckett, Schaub and Macy ended without any conclusions being drawn. The Director did, however, supress his interest in the problem and offered to cooperate. As I recall, Mr. Beckett indicated that the suresu might try to draft some concrete proposals and again request Mr. Bullen' views as well as his assistance in further study of this problem. In view of this I querted as to whether it might not be desirable to discuss this with the Director again refuse beginning the survey. Mr. Billington indicated that, if this were necessary, he would be glad to have Mr. Stans contact Mr. Dulles. He was anxious, however, to proceed with this allows incrediately. I told Messrs. Billington and Ecker that I would discuss this matter with the Director and advise them as soon as possible as to what course of action we in TA would propose to follow.

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1 - DD/S Chrobecember 1939, after consultation with the Director, I solvised bit. Elitageon that the Director wished to next with appropriate representatives of the forest of the fludget personally before the study discussed above was started. I also advised him that the Director could meet with them either on Saturday, 12 December, or sometime during the week beginning 14 December. Mr. Ellington said that he derivally agreed with the desirability of meeting with the Director and that hir. Stans would, in all probability, give hir. Bulles a call to make the arrangements. He also thought that Mr. Stans would not be able to call before sometime early next week.